

**ASSEMBLY BILL**

**No. 1993**

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**Introduced by Assembly Member Irwin**

February 16, 2016

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An act to add Section 1502.7 to the Corporations Code, and to add Section 1524.4 to the Penal Code, relating to law enforcement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1993, as introduced, Irwin. Corporate law enforcement contacts.

(1) Existing law authorizes a court or magistrate to issue a warrant for the search of a place and the seizure of property or things identified in the warrant where there is probable cause to believe that specified grounds exist. Existing law also establishes procedures for certain California corporations when served with a warrant issued by a court in another state.

This bill would require the Attorney General to, by July 1, 2017, establish minimum qualifications for a corporate law enforcement contact and would require specified corporations to designate a corporate law enforcement contact that meets those minimum qualifications. The bill would require those corporations to file a statement with the Secretary of State identifying the corporate law enforcement contact, as specified, and would prohibit the public disclosure of that statement. The bill would require the Secretary of State, on or before October 1, 2017, and annually thereafter, to transmit to the Attorney General, in the manner prescribed by the Attorney General, a copy of the current statement for each corporation, and would require the Attorney General to distribute to local law enforcement agencies a list of corporate law enforcement contacts created from the statements that he or she receives from the Secretary of State. The bill would require a corporation subject

to these provisions to respond to a properly served warrant within 5 business days.

(2) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1502.7 is added to the Corporations Code,  
2 to read:

3 1502.7. (a) Every corporation described in subdivision (a) of  
4 Section 1524.4 of the Penal Code shall file, within 90 days after  
5 the filing of its original articles and annually thereafter during the  
6 applicable filing period, a statement identifying the corporate law  
7 enforcement contact designated pursuant to Section 1524.4 of the  
8 Penal Code.

9 (b) For the purposes of this section, the applicable filing period  
10 for a corporation shall be the calendar month during which its  
11 original articles were filed and the immediately preceding five  
12 calendar months. The Secretary of State shall provide a notice to  
13 each corporation to comply with this section approximately three  
14 months prior to the close of the applicable filing period. The notice  
15 shall state the due date for compliance and shall be sent to the last  
16 address of the corporation according to the records of the Secretary  
17 of State or to the last electronic mail address according to the  
18 records of the Secretary of State if the corporation has elected to  
19 receive notices from the Secretary of State by electronic mail. The  
20 failure of the corporation to receive the notice is not an excuse for  
21 failure to comply with this section.

22 (c) The Secretary of State may destroy or otherwise dispose of  
23 any statement filed pursuant to this section after it has been  
24 superseded by the filing of a new statement.

25 (d) On or before October 1, 2017, and annually thereafter, the  
26 Secretary of State shall transmit to the Attorney General, in the

1 manner prescribed by the Attorney General, a copy of the current  
2 statement made pursuant to this section for each corporation.

3 (e) If the corporate law enforcement contact is no longer  
4 employed by the corporation, the corporation shall forthwith file  
5 a statement identifying the new corporate law enforcement contact  
6 designated pursuant to Section 1524.4 of the Penal Code.

7 (f) A statement filed pursuant to this section is confidential and  
8 shall not be disclosed pursuant to any state law, including, but not  
9 limited to, the California Public Records Act (Chapter 3.5  
10 (commencing with Section 6250) of Division 7 of Title 1).

11 SEC. 2. Section 1524.4 is added to the Penal Code, to read:

12 1524.4. (a) This section applies to a corporation that generates  
13 customer data for 1,000,000 or more people annually from any of  
14 the following:

15 (1) Data searches.

16 (2) Geolocation data.

17 (3) Social media, as defined in Section 980 of the Labor Code.

18 (b) (1) A corporation described in subdivision (a) shall designate  
19 a corporate law enforcement contact that meets the qualifications  
20 established pursuant to paragraph (1) of subdivision (c). If the  
21 corporate law enforcement contact is no longer employed by the  
22 corporation, the corporation shall forthwith designate a new  
23 corporate law enforcement contact.

24 (2) When properly served with a search warrant issued by the  
25 California court, a corporation described in subdivision (a) shall  
26 provide to the peace officer to whom the search warrant was issued  
27 pursuant to subdivision (a) of Section 1528, all records sought  
28 pursuant to that warrant within five business days of receipt,  
29 including those records maintained or located outside this state.

30 (c) (1) The Attorney General shall, by July 1, 2017, establish  
31 minimum qualifications for a corporate law enforcement contact,  
32 including, but not limited to, a requirement that the contact have  
33 continual availability and authority to make decisions regarding  
34 warrants and the disclosure of information and data.

35 (2) The Attorney General shall, annually, distribute a list of  
36 corporate law enforcement contacts created from the statements  
37 that he or she receives from the Secretary of State pursuant to  
38 Section 1502.7 of the Corporations Code to local law enforcement  
39 agencies.

1 SEC. 3. The Legislature finds and declares that Section 1 of  
2 this act, which adds Section 1502.7 of the Corporations Code,  
3 imposes a limitation on the public's right of access to the meetings  
4 of public bodies or the writings of public officials and agencies  
5 within the meaning of Section 3 of Article I of the California  
6 Constitution. Pursuant to that constitutional provision, the  
7 Legislature makes the following findings to demonstrate the interest  
8 protected by this limitation and the need for protecting that interest:  
9 Prohibiting the disclosure of statements filed by corporations  
10 that designate a corporate law enforcement contact protects the  
11 internal business processes of private businesses from unnecessary  
12 intrusion and facilitates communication between law enforcement  
13 and private businesses regarding necessary information that  
14 protects public health and safety.